DEPARTMENT OF INSURANCE

300 SOUTH SPRING STREET, SOUTH TOWER LOS ANGELES, CA 90013

January 2002



TO: ALL INSURERS LICENSED TO TRANSACT PROPERTY AND CASUALTY INSURANCE

IN THE STATE OF CALIFORNIA AND OTHER INTERESTED PERSONS

SUBJECT: CALIFORNIA EARTHOUAKE ZONING AND PROBABLE MAXIMUM LOSS

EVALUATION PROGRAM

The enclosed California Earthquake Liability Questionnaire as of December 31, 2001, will be due according to the following schedule:

Primary Carriers - June 30, 2002 Reinsurers - August 31, 2002 Retrocessionaires - September 30, 2002

This report is authorized by California Administrative Code, Title 10, Chapter 5, Subchapter 3, Article 3, Section 2307. This will be the twenty-second year that the Questionnaire has been required. This report form can also be downloaded from the Department's website at: "http://www.insurance.ca.gov/" under the "Regulating Insurers" section.

Companies which had no written Earthquake Insurance in force under any form on December 31, 2001, may satisfy the reporting requirement by so indicating at the bottom of this letter over the signature of an officer of the company.

Starting this year, for companies that have data to report on Form A or Form B, we ask that you download them in <u>Microsoft Excel format</u> from our website. Fill out the form in Excel, send us a hard copy and a copy of the file on a diskette to the address listed below.

There were no changes to the PML Percentages this year. In 1998, there were revisions in the PML percentages for residential structures. These revisions are discussed on Page 2 of the Instructions.

We again emphasize the importance of primary carriers supplying the necessary information to their reinsurers, and reinsurers supplying it to their retrocessionaires, to assure complete reporting by zone. The results of this form may be seriously impaired without the consolidation of reinsurance data by zone. Your cooperation on this matter is essential to the success of the program. To help in this regard, a Form "X" is included which should be used for reporting to reinsurers.

		George Yen Chief, Rate Specialist Bureau
Company Name: "Our Company did not have any Earthquake Insurance in		NAIC Company Code:
	Earthquake Questionnaire	(Signature)
maii w.	Rate Specialist Bureau	(Signature)
	California Department of Insurance	(Print Name)
	300 South Spring Street	(Title)
	Los Angeles California 90013	(e-mail addres